

ONE HUNDRED SECOND LEGISLATURE - FIRST SESSION - 2011
COMMITTEE STATEMENT
LB378

Hearing Date: Monday February 07, 2011
Committee On: Appropriations
Introducer: Speaker Flood
One Liner: Provide for fund transfers and change provisions relating to various funds

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye: 9 Senators Conrad, Fulton, Hansen, Harms, Heidemann, Mello, Nelson, Nordquist, Wightman

Nay:

Absent:

Present Not Voting:

Proponents:

Gerry Oligmueller
Craig Head

Representing:

Introducer - Governor's Office
Nebraska Farm Bureau Federation

Opponents:

Dave Pantos
Jane Schoenike

Representing:

Legal Aid of Nebraska
Nebraska State Bar Association

Neutral:

Representing:

Summary of purpose and/or changes:

LB 378, introduced by the Speaker at the request of the Governor, is a part of the Governor's biennial budget recommendations.

The bill includes the following new fund or transfer items:

1. The State Treasurer is directed to make the following transfers:
 - a. Two separate transfers of \$200,000 from the Uniform Commercial Code Cash Fund to the Election Administration Fund to help finance the Secretary of State's election administration operations;
 - b. Four separate transfers from the Education Innovation Fund to the State Department of Education Cash Fund to finance the development of a Virtual High School as well the integration of postsecondary institutions into a K-12 longitudinal data system;
 - c. Two separate transfers from the General Fund to the Property Tax Credit Cash Fund to continue the property tax relief provided by the state pursuant to the Property Tax Credit Act enacted in 2007;
 - d. Two separate transfers from the Local Civic, Cultural, and Convention Center Financing Fund to the Department of Revenue Enforcement Fund pursuant to section 77-5601;
 - e. Two separate transfers of \$50,000 from the Stem Cell Research Cash Fund to the Health and Human Services Cash Fund;
 - f. Two separate transfers of \$349,700 from the Tobacco Prevention and Control Cash Fund to the Health and Human Services Cash Fund;
 - g. Two separate transfers of \$2.7 million from the General Fund to the Water Resources Cash Fund as provided in

section 61-218;

h. Two separate transfers from the General Fund to the Ethanol Production Incentive Cash Fund pursuant to section 66-1345.04 to help ensure that the funding obligations of the Ethanol Production Incentive Act are met through FY 2011-12;

i. A transfer of \$25 million from the General Fund to the Nebraska Capital Construction Fund for the University of Nebraska for two projects at the University's Innovation Campus.

j. Two separate transfers of \$200,000 from the Legal Aid and Services Fund to the Violence Prevention Cash Fund.

2. Nebraska Revised Statutes section 66-1345.04 is amended to harmonize language related to the transfers proposed for the Ethanol Production Incentive Cash Fund.

3. Section 81-1120.22 and section 81-1120.23 are amended to change the funds into which the Division of Communications is to credit payments received for communication services. The Communications Cash Fund and the Telephone Expense Revolving Fund are terminated effective July 31, 2011 and a new section is included to create the Communications Revolving Fund.

4. Two obsolete funds, the Department of Revenue Miscellaneous Services Revolving Fund and the Rural Development Cash Fund are terminated.

This legislative bill contains the emergency clause.

Explanation of amendments:

The amendment becomes the bill.

Sections 1 and 2 transfer \$234,954 each year from the Uniform Commercial Code Cash Fund to the Election Administration Fund.

Sections 3 and 4 transfer \$110 million from the General Fund to the Property Tax Credit Cash Fund on or before December 15 for each of the next 2 years.

Sections 5 and 6 make transfers from the Local Civic, Cultural, and Convention Center Financing Fund to the Department of Revenue Enforcement Fund. The amounts are \$42,900 on July 1, 2011 and \$43,900 on July 1, 2012.

Sections 7 and 8 transfer \$50,000 each year from the Stem Cell Research Cash Fund to the Health and Human Services Cash Fund.

Section 9 and 10 transfer \$485,700 each year from the Tobacco Prevention and Control Cash Fund to the Health and Human Services Cash Fund.

Sections 11 and 12 transfer \$2.7 million each year from the General Fund to the Water Resources Cash Fund.

Section 13, 14 and 24 transfer \$2.5 million and \$3.8 million, respectively, from the General Fund to the Ethanol Production Incentive Cash Fund (EPIC Fund).

Section 15 transfers \$25,000,000 from the General Fund to the Nebraska Capital Construction Fund (NCCF) on or before June 30, 2012 for the Nebraska Innovation Campus at the University of Nebraska - Lincoln.

Sections 16 through 20 extend the duration for which certain funds at the Supreme Court can be used for court operations and probation services.

Section 21 transfers \$200,000 each year from the Community Corrections Uniform Data Analysis Cash Fund to the Violence Prevention Cash Fund.

Section 22 and 25 allow the Workers' Compensation Claims Revolving Fund and the State Insurance Fund to be used to pay the costs of administering the Risk Management Program.

Section 23 transfers no more than \$2,816,345 from the State Unemployment Insurance Trust Fund to the Employment Security Special Contingent Fund and reduces the reappropriation of federal funds (Reed Act) by like amount.

Sections 26 through 29 collapse the Communications Cash Fund into the Communications Revolving Fund for the Department of Administrative Services. Going forward, all revenues and expenditures will flow into the Communications Revolving Fund.

Sections 31 through 34 change the level of University Cash Funds that are available for working cash purposes from a specific dollar amount to a percent (2%) of the specified funds.

Section 35 allows for transfers from the Uniform Commercial Code Cash Fund to the Election Administration Fund.

Sections 36 and 37 are repealer sections.

Section 38 is the emergency clause.

Lavon Heidemann, Chairperson